

REFERENCE TITLE: school districts; impact aid miscalculations

State of Arizona
House of Representatives
Forty-eighth Legislature
First Regular Session
2007

HB 2305

Introduced by
Representatives Burns J, Bradley: Alvarez, Garcia M, Lopez, Senator
Arzberger

AN ACT

AMENDING SECTION 15-915, ARIZONA REVISED STATUTES; RELATING TO SCHOOL
FINANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 15-915, Arizona Revised Statutes, is amended to
3 read:

4 15-915. Correction of state aid or budget limit errors:
5 definition

6 A. If the superintendent of public instruction determines that the
7 calculation of state aid for a school district or charter school or the
8 calculation of the school district's or charter school's budget limits within
9 the previous three years did not conform with statutory requirements, the
10 superintendent shall require correction of the errors as follows:

11 1. Corrections may be made in the current year or in the budget year,
12 except that in case of hardship to the school district, the superintendent
13 may approve corrections partly in one year and partly in the year after that
14 year **AND EXCEPT THAT:**

15 (a) **NOTWITHSTANDING SECTION 15-905, SCHOOL DISTRICTS THAT**
16 **MISCALCULATED THEIR BUDGETS DURING FISCAL YEAR 2005-2006 SHALL CORRECT THESE**
17 **ERRORS OVER A SIX YEAR PERIOD BEGINNING IN FISCAL YEAR 2006-2007 AND ENDING**
18 **IN FISCAL YEAR 2011-2012 IF BOTH OF THE FOLLOWING CONDITIONS EXIST:**

19 (i) **THE DEPARTMENT OF EDUCATION ERRONEOUSLY DOUBLED THE AMOUNT THAT**
20 **SHOULD HAVE BEEN CALCULATED PURSUANT TO SECTION 15-905, SUBSECTION O AND THAT**
21 **ERRONEOUS ACTION RESULTED IN AN OVERSTATED GENERAL BUDGET LIMIT.**

22 (ii) **THE TOTAL AMOUNT OF THE CORRECTION THAT WOULD OTHERWISE BE**
23 **REQUIRED UNDER THIS SECTION IS MORE THAN THREE HUNDRED THOUSAND DOLLARS BUT**
24 **LESS THAN NINE HUNDRED THOUSAND DOLLARS.**

25 (b) **IN ADDITION TO THE MONIES REQUIRED TO BE REPAID PURSUANT TO**
26 **SUBDIVISION (a), ACCRUED INTEREST SHALL BE PAID AT A RATE DETERMINED BY THE**
27 **SUPERINTENDENT OF PUBLIC INSTRUCTION.**

28 2. Errors in the calculation of state aid shall be corrected by
29 increasing or decreasing the state aid to the school district or charter
30 school in the year or years in which the correction is made.

31 3. Errors in the calculation of the school district's or charter
32 school's budget limits shall be corrected at a public hearing by requiring
33 the governing board to reduce or by allowing it to increase its budget by the
34 amount of the correction to be made that year. Overbudgeting errors
35 corrected as provided in this paragraph are exempt from the provisions of
36 section 15-905, subsections L and M. Not later than three days after the
37 hearing and correction, the budget as revised shall be submitted
38 electronically to the superintendent of public instruction.

39 B. Subject to the review by the joint legislative budget committee,
40 the superintendent of public instruction shall adjust state aid for a school
41 district in the current year if the governing board of a school district
42 requests the recalculation of state aid for a prior year due to a change in
43 assessed valuation that occurred as the result of a judgment in accordance
44 with section 42-16213.

1 C. Notwithstanding subsection A of this section, a school district or
2 charter school may not make upward revisions to its average daily membership
3 counts for a particular school year after June 30 of the subsequent school
4 year.

5 D. For the purposes of this section, "state aid":
6 1. For school districts means state aid as determined in section
7 15-971 and additional state aid as determined in section 15-972.
8 2. For charter schools means state aid as determined in section
9 15-185.

10 Sec. 2. [Retroactivity](#)
11 Section 15-915, Arizona Revised Statutes, as amended by this act,
12 applies retroactively to from and after June 30, 2006.